

February 7, 2003

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DANA M. SMITH
EXECUTIVE OFFICER

TO: Local Agency Formation Commission

FROM: Dana M. Smith, Executive Officer

SUBJECT: Ratification of Consultant Contract – Moreland & Associates, Inc.

Background

As your Commission is aware, changes to LAFCO's governing law in 2001 requires LAFCOs to be solely responsible for adopting and managing a budget for all LAFCO operations independent from the County. In May 2002, your Commission recognized these additional budgetary and fiduciary responsibilities and approved a contract with Conrad & Associates to provide accounting and bookkeeping services for LAFCO operations.

As an independent agency, LAFCO is also required to have its financial statements audited by an independent certified accounting firm. In June 2002, your Commission approved a Request for Proposal (RFP) and directed staff to distribute the RFP to qualified CPA firms with specific experience in the public sector.

In accordance with LAFCO policy, the Executive Officer has contracted with Moreland & Associates to conduct LAFCO's audit for FY 2001-2002. Moreland & Associates, Inc. has extensive experience conducting audits of financial statements of over 25 California cities, numerous water and sanitation districts and other governmental entities. The total amount of the contract is \$4,900.00

It is recommended that the Commission:

1. Ratify the attached contract with Moreland & Associates, Inc.

Sincerely,

Dana M. Smith

Attachment: Moreland & Associates Contract

